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TAGS: <u>KPAO OPRC KMDR PREL MEDIA REACTION</u>
SUBJECT: MEDIA REACTION; LULA-VAZQUEZ, MERCOSUR, AFGHANISTAN,
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11. SUMMARY STATEMENT

Leading international stories and commentaries today focus on Brazilian President Lula Da Silva's visit to Uruguay and its consequences for the future of the MERCOSUR trade bloc and the region's relations with the US. An opinion story in Clarin is critical of the US policy in Afghanistan and Pakistan. And an editorial in the daily La Nacion argues Argentina should get actively involved in a regional initiative to promote the production of bio-fuels.

¶2. OPINION PIECES

- "Lula and Tabare near positions"

Nelson Fernandez, correspondent in Uruguay for the daily-of-record "La Nacion," writes, "Distant until not so long ago, the presidents of Uruguay and Brazil showed signs of commercial and political coincidences yesterday, in a meeting tailored to strengthen the bilateral relationship and give new impulse to the MERCOSUR bloc... at a time when the US is trying to seduce Uruguay with a Free Trade Agreement.

- ".... The Uruguayan delegation expressed its satisfaction for the outcome of the meeting, in the belief that they had received 'a green light' from Brazil to seek trade agreements from outside the MERCOSUR platform.
- "... Vazquez feels comfortable in a position in which, like Brazil and Chile, he represents the moderate left in the contiQnt, even without severing tiQwith Venezuela, which sponsors economic projects in the country."
- "Uruguay commits to defend MERCOSUR"

Eleonora Gosman, special envoy to Uruguay for the leading daily "Clarin," writes, "President Tabare Vazquez committed in public and before his Brazilian counterpart Lula Da Silva to keep Uruguay in the MERCOSUR trade bloc.

"Lula landed yesterday in Uruguay with a single objective on his mind: prevent MERCOSUR from projecting an image of weakness just when US President Bush is about to visit the region.

"Lula flew back home with some peace of mind. He now knows he can receive his colleague Bush on March 8 without having to acknowledge MERCOSUR is struggling to stay together because one country is willing to walk out.

"In fact, the pro-FTA stance sponsored in Uruguay by Economy

Minister Danilo Astori has been defused. Astori himself said after the Vazquez-Lula summit yesterday that Uruguay could move on with trade talks with the US but without stepping out of the MERCOSUR bloc."

- "Mirages"

Marcelo Cantelmi, foreign news editor at the leading "Clarin," comments, ".... Despite the battery of problems MERCOSUR critics present, the bloc is anything but a failed initiative. Trade between the four member countries in 2006 reached around 20 billion dollars. And its prospects continue to justify the line produced by Fernando 1H. Cardoso during his presidency: 'Mercosur is more than a market, it is a destiny.'

"It is clear that the US is not happy with the regional bloc because it curtails its bilateral initiatives. But the bloc's own dynamics has so far sterilized all efforts to break it apart.

"Brazil's was a preventive reaction which acknowledges that the weight of most problems falls on the shoulders of the smaller countries in the bloc, and that these countries may get offers and move away from the bloc, even if these options are just mirages."

- "Bush's dilemmas in Afghanistan and Pakistan"

Oscar Raul Cardoso, international columnist in the leading "Clarin," cites US military intelligence and affirms, "... Al Qaeda's training camps and fighters' recruitment are growing in semi-autonomic areas in Western Pakistan, where the Taliban are said to be readying a major offensive in Afghanistan.

".... Afghanistan is the other war Washington and its allies cannot win and another spot on the world where things are worse off in the aftermath of an invasion.

"What is Bush doing? He seems determined to put pressure on the regime of Pakistan's dictator, General Pervez Musharraf, by asking him to help him sort out the Afghan mess. But the situation is delicate and anti-US sentiment is rife in Pakistan.

"... There is a growing belief that Musharraf and his entourage have reached the conclusion that Washington might soon drop its efforts to win the war in Afghanistan. And that Musharraf is rather more worried about what will be come once the occupation ends."

13. EDITORIALS

- "Alternative energy: an opportunity"

An editorial in the daily-of-record "La Nacion" reads "The development of alternative energy based on bio-fuels has spawned an international debate and Argentina should not stay away from it.

- "... US President George W. Bush has given the substitution of oil a new impulse in his January 20 State of the Union address... The US government has found in alternative energy a way to continue to promote free trade.
- "... The production of alternative energy, especially ethanol-based, offers Latin America a unique opportunity to redefine its relations with the United States."

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